

JTD AIRFREIGHT INTELLIGENCE

Joining the Dots Across Cargo,
Capital and Trade Policy

JTD Advisory Ltd

ISSUE #2 | WEEK OF 21 APRIL 2026

David Kerr | Founder, JTD Advisory Ltd

+11.2% YoY

IATA Feb CTK

57% of pre-conflict

Gulf Capacity

\$5.15/kg (+105%)

S.Asia–Europe

THE VIEW FROM HERE

The market is now operating in two distinct layers, and conflating them is a strategic error. The underlying demand picture — February CTK up 11.2% year-on-year, Africa-Asia corridor running at +61.9% growth across eight consecutive months, global manufacturing PMI at its highest since December 2021 — is genuinely strong. But the rate environment is being driven by something else entirely: a conflict-induced capacity shock that has removed 12% of global air cargo capacity in a single event, doubled jet fuel, and pushed spot rates on the most affected corridors to levels not seen since the pandemic.

A ceasefire was announced around 9 April, but the Gulf remains at 57% of pre-conflict capacity, rates have not fallen, and carriers have made clear they are in no rush to lower them while the geopolitical situation remains unstable. The structural demand story and the acute supply shock are telling different things to different parts of the market simultaneously — and reading them as one signal is where operators and capital allocators will get it wrong this quarter.

DEMAND PULSE

- IATA February 2026: global CTK +11.2% YoY, international +11.6%, ACTK +8.5%. Cargo load factor up 1.1ppt to 46.0%. Demand growing 2:1 vs capacity — forwarders negotiating 2026-27 contracts have less leverage than the pre-conflict Xeneta narrative suggested. ([IATA](#))
- Africa: +21.0% CTK in February; Africa-Asia corridor +61.9% YoY across eight consecutive months. Acceleration from January's +18.2% reflects structural demand — commodity exports, Asian consumer goods inflow, infrastructure capital equipment — consistently outrunning available capacity. ([IATA](#))
- Global air cargo volumes -6% YoY in week of March 23-29 (WorldACD); April 2026 ASKs -2.0% YoY (Cirium). First YoY capacity contraction in this cycle. Not a seasonal effect — a direct consequence of conflict-driven cancellations, extended rotations, and fuel-driven schedule reductions. ([Cirium Ascend](#))

- Middle East carriers: +16.5% CTK in February — second-fastest regional growth globally — then the conflict hit. Doha capacity down 77% YoY (week of March 24-30). Dubai, Al Maktoum, Bahrain and Kuwait down 50-100%. The sharpest inflection point this market has seen since early 2020. ([EXTRANS Global](#))

TRADE LANE INTELLIGENCE

Africa-Asia: Acceleration Without Infrastructure

Africa-Asia at +61.9% in February — accelerating from +41.6% across the prior seven months — is the most significant corridor growth story in the market and the one most operators remain underweighted on. The demand mechanics: outbound African commodity and agricultural export flows are time-sensitive and growing in both volume and value density. Inbound flows are increasingly driven by Chinese consumer goods, e-commerce penetration at the retail level, and capital equipment moving in support of infrastructure development programmes across East and West Africa.

The infrastructure constraint is the limiting factor. Slot availability at hub airports — Nairobi, Addis Ababa, Johannesburg — has not scaled with demand. Ground handling capacity is uneven. Cold chain and pharmaceutical-grade storage is inadequate relative to the volumes the corridor can theoretically support. These constraints create the conditions for premium pricing.

The strategic read: operators who have established ground relationships, bilateral traffic rights, and handling partnerships on this corridor are in a structurally advantaged position. Those who have not are now paying a higher entry cost than they would have 18 months ago — and the window for low-cost positioning is continuing to close.

South Asia-North America: The Pharma Corridor Under Compound Pressure

The India-US East Coast corridor — primarily pharmaceutical, retail, and high-value manufacturing — is under compound structural pressure from three simultaneous directions, making it unlike any other corridor in the market right now.

- Conflict disruption: corridor typically transits Middle East hubs. Spot rates up approximately 82% on South Asia to North America lanes (Xeneta, week ending 5 April). Ceasefire has provided some relief but capacity is recovering slowly. ([Xeneta / ITLN](#))
- Pharmaceutical tariff: 100% Section 232 tariff on patented drugs and related raw materials announced 2 April, effective 31 July 2026 (large corporations) and 29 September 2026 (others). India is the world's largest exporter of generic pharmaceuticals to the US market, and a significant portion moves by air. ([Baker Botts / JDSupra](#))
- The compounding logic: capacity shortages, doubled surcharges, and a fundamental 100% tariff threshold arriving on the same corridor simultaneously. This is not a procurement problem. It is a network redesign trigger.

POLICY & TRADE RADAR

- Section 122 tariff (10% US import surcharge) expires 24 July 2026. Supreme Court struck down IEEPA authority on 20 February. Congress must act to extend. The policy uncertainty does not resolve in July — it restarts. ([iContainers tracker](#))

- Section 232 pharmaceuticals (100% tariff): most significant sector-specific tariff action yet for air freight. Pharmaceutical was expected to absorb volume gap left by declining e-commerce. That thesis now has a major complication. ([Baker Botts / JDSupra](#))
- EU de minimis: €3 flat duty on sub-€150 parcels takes effect 1 July 2026, covering approximately 4.6bn parcels handled in 2024, 91% originating from China. Directional impact on direct-to-consumer air parcel flows mirrors US trajectory. ([Scan Global Logistics](#))
- Ceasefire (US-Iran, ~9 April): Gulf airspace gradually reopening. Qatar Airways resuming operations through Doha. Full capacity recovery at Middle East hubs expected to take one to two months from ceasefire — carriers explicitly in no rush to reduce rates. ([Aviation Week / ITLN](#))

THE MIDDLE EAST VARIABLE: CEASEFIRE EDITION

The ceasefire announcement has not translated into rate normalisation. The Baltic Air Freight Index (BAI00) gained +1.4% in the week to April 13, leaving it +19.2% YoY. Gulf capacity remains at 57% of pre-conflict levels. Jet fuel is still approximately 70% above pre-conflict levels.

Corridor	Rate (week of 5-15 Apr)	Change vs pre-conflict
South Asia to Europe	\$5.15/kg	+105%
Southeast Asia to Europe	\$5.30/kg	+72%
South Asia to North America	\$4.90+/kg	+82%
Europe to Middle East	Elevated	+87%
China to North America	\$6.30/kg	+7% (vs late Feb)
BAI00 (global index)	—	+19.2% YoY (wk 13 Apr)

The structural driver of rate persistence is now shifting from capacity shortage to fuel cost. Carriers will not rush to lower rates. The ceasefire is fragile. The incentive to maintain elevated rates while the situation remains uncertain is structural, not opportunistic.

CAPITAL & STRATEGY SIGNALS

- Capacity plans rewritten downward: April 2026 ASKs -2.0% YoY (Cirium). Cirium Ascend had forecast 4-6% growth for 2026. Range of outcomes now -2% to +3%, entirely dependent on conflict duration and fuel trajectory. ([Cirium Ascend](#))
- Korean carrier pressure point: Asiana, Jin Air, Air Busan and Air Premia reducing unprofitable routes this month. Surcharges cover less than half of actual fuel cost increase. May surcharge expected to reach maximum Level 33 on IATA scale — first time ever for US routes. ([EXTRANS Global](#))
- Forwarder margin squeeze — from both directions: pre-conflict expectation was rate softness would compress margins. That thesis is now inverted. Forwarders who committed to capacity at pre-conflict buy-rates and locked in shippers at annual contract rates are caught between a surging cost base and customer commitments they cannot easily exit.

- National Airlines takes delivery of first of four 777Fs (ordered July 2024). Long-haul freighter capacity entering a market where transpacific China-US volumes are structurally lower but SEA-North America and Africa-Asia remain genuinely undersupplied. Route rights and fleet flexibility will determine which side of that equation operators land on. ([Air Cargo News](#))

THE JTD DOT

The market is delivering two simultaneous readings that require different strategic responses, and the risk is that operators conflate them into one.

The underlying demand — February CTK at +11.2%, Africa growth accelerating, manufacturing PMI at multi-year highs — is the kind of structural backdrop that justifies long-term network and capacity investment. The acute overlay — conflict-driven capacity shock, fuel doubled, pharma tariffs, a ceasefire that has not yet normalised rates — is a near-term operational and commercial management problem that requires a different set of responses.

The operators who navigate this quarter well will be the ones who have disaggregated the signal clearly enough to act on both simultaneously — investing into structural growth corridors while managing near-term exposure on conflict-affected lanes with discipline rather than paralysis.

DATA SOURCES

Source	Coverage This Issue
IATA	February 2026 CTK/ACTK regional data
TAC Index / Baltic Exchange	BAI00 weekly rate movements, YoY
Freightos Air Index	Lane-level spot rates to April 14-15
Xeneta	Conflict impact, corridor rates, ceasefire outlook
Cirium Ascend Consultancy	April 2026 ASK data, capacity scenarios
Supply Chain Dive	Iran conflict supply chain analysis
Aviation Week Network	Qatar Airways Doha resumption, fuel shortage prep
EXTRANS Global	Hub capacity collapse data, Korean carrier surcharges
ITLN / Xeneta	Ceasefire rate recovery outlook, corridor rate data
Baker Botts / JDSupra	Section 232 pharmaceutical tariff, Section 122 expiry
Air Cargo News	National Airlines 777F delivery
Scan Global Logistics	EU de minimis July 2026 context

Disclaimer: JTD Airfreight Intelligence is produced by JTD Advisory Ltd for strategic informational purposes. It is intended for industry practitioners, operators, capital allocators, and policymakers. Nothing in this newsletter constitutes financial advice or a recommendation to buy or sell any security or financial instrument. Readers should conduct their own due diligence before making any commercial or investment decision.